

# Legislators discuss road work financing

By **ROGER ALFORD**  
Associated Press Writer

Gov. Ernie Fletcher isn't critical of the closed-door budget negotiations now under way, saying the process of setting spending priorities sometimes goes smoother in private.

"You know, some things can be done well, openly with the press. Other things you tend to get a little more posturing," Fletcher said at a news

conference on Monday.

The first-term governor, recovering from a long hospitalization caused by medical complications after gallbladder surgery, has not met with the budget negotiators since they began work last week.

"That's a legislative issue, and I'll leave that up to the legislators," Fletcher said.

Legislative leaders have been

working on the nearly \$18 billion state budget since Saturday in a cordoned-off area of the Capital Annex. State police troopers have been posted as guards, adding to a palpable feeling of secrecy.

House Speaker Jody Richards said talks on Monday centered on transportation issues. The Senate is recommending a \$740 million bond issue to pay for road construction. House

lawmakers believe road construction needs can be met without taking on that debt.

Fletcher said he supports the bond issue because it allows the state to spend more money to improve the highway system.

"Part of what we're doing with economic development is to make sure that we provide the infrastructure, and

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## Budget talks continue

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that will certainly help boost us beyond what we're able to do," he said.

Fletcher said the state needs to begin making road improvements in the Lexington area to prepare for the World Equestrian Games, which Kentucky will host in 2010, and in Fort Knox to accommodate expansions announced by the Department of Defense that will bring in an additional 3,500 infantry soldiers and 3,000 civilian employees.

At the same time, Fletcher said the state is involved in a \$2.46 billion Louisville transportation project, which includes construction of two bridges, one downtown and the other in the eastern suburbs.

"All of that together, I can certainly understand the justification for the \$740 million in road bonds," Fletcher said.

The Senate proposed paying for the bridges and many other road projects by making an increase in the state gasoline tax permanent.

Under an adjustable funding formula, the state's fuel tax rises and falls with the average price of gasoline. The Senate proposes to lock down a 1.1-cent-per-gallon increase from last year and an anticipated 1.2-cents-per-gallon increase this year.

By doing that, the tax would not decline if the average price of gasoline falls.

Fletcher said he is supportive of the Senate proposal because it would ensure the state has the money to pay for the bonds.

"It's a tax that's already there," Fletcher said Monday. "It's not a tax increase. It's just freezing something that will be there so we have the assurance to Wall Street that our bonds will be funded."

After meeting for two days, top lawmakers said Sunday they had agreed on portions of the budget, including \$75 million for a proposed arena in downtown Louisville.

Other agreements included money for increasing public school teachers' salaries and about \$15 million to help the University of

By The Associated Press

Legislative leaders, meeting behind closed doors in Frankfort, have disclosed relatively little from their budget negotiations. Here are the disagreements and agreements they have acknowledged.

### Disagreements

- \$740 million bond issue to pay for road construction projects by locking in an increase in the state gas tax.

- \$50 million for computers for public school classrooms.

### Agreements

- \$1.5 million for additional coal mine inspectors.

- \$1 million for western

Kentucky drug task force.

- \$1.9 million

increase in spending for commonwealth's attorneys.

- \$8.2 million for Home of the Innocents in Louisville.

- \$1.8 million for Western Kentucky Veterans Center's Alzheimer's unit.

- General Assembly won't dictate location of proposed Louisville arena.

- University of Kentucky will get funding toward goal of becoming top 20 research school.

- Regional universities would get more funding than proposed in Senate or House budgets.

- Kentucky's community and technical colleges would also see funding boost.

- Teachers would get raises of about 2 percent in first year and \$3,000 in second year.

Kentucky with its goal of becoming a top 20 public research institution. Other public universities also would get more funding than either the House or Senate's original budget proposals appropriated.

Richards said the negotiators had agreed to giving teachers a 2 percent raise in the first year of the budget and a \$3,000 boost in the second.

The budget negotiators also agreed not to place conditions on \$75 million in state funding being appropriated for the proposed multipurpose arena in Louisville. The House had originally wanted to require that the structure be built along the riverfront, not on an alternative site farther inland.

Senate President David Williams late Monday blamed the slow pace on House negotiators saying they had been slow to make decisions. However, the delay did not indicate a breakdown in talks,

Williams said.

"We've had a lot of discussions but very few decisions," said Williams, R-Burkesville. "It's been a very frustrating day."

Richards was not available for comment. A spokesman for Richards said there would be no more budget negotiations Monday night and that lawmakers would return Tuesday morning to resume their work.

Fletcher said he had met with several legislators involved in the negotiations but didn't plan to meet with the entire group of House-Senate conferees.

"They understand and know exactly what we're interested in and what we want," he said. "But it is a legislative process. We need to allow that to work."

Associated Press Writer Joe Biesk contributed to this report.